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HOUSE OF REPRESENTATIVES
REPORT
No. 98-428

FEDERAL SUPPLEMENTAL COMPENSATION AMENDMENTS OF 1983

OCTOBER 21, 1983.—Ordered to be printed

Mr. PEASE, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 3929]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3929) to extend the Federal Supplemental Compensation Act of 1982, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Supplemental Compensation Amendments of 1983".

TITLE I—EXTENSION OF FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

SEC. 101. EXTENSION OF FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM.

(a) GENERAL RULE.—Paragraph (2) of section 602(f) of the Federal Supplemental Compensation Act of 1982 is amended to read as follows:

"(2) No Federal supplemental compensation shall be payable to any individual under an agreement entered into under this subtitle for any week beginning after March 31, 1985."

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(b) TECHNICAL AMENDMENT.—Paragraph (2) of section 605 of such Act is amended by striking out "October 19, 1983 (except as otherwise provided in section 602(f)(2))" and inserting in lieu thereof "April 1, 1985".

SEC. 102. NUMBER OF WEEKS FOR WHICH BENEFITS ARE PAYABLE.

(a) GENERAL RULE.—Subsection (e) of section 602 of the Federal Supplemental Compensation Act of 1982 is amended by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2)(A)(i) Except as provided in subparagraph (B), the amount established in such account shall be equal to the lesser of—

"(I) 55 per centum of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation, or

"(II) the applicable limit times his average weekly benefit amount for his benefit year.

"(ii) For purposes of clause (i)—

"(I) in the case of an account from which Federal supplemental compensation was payable to an individual for a week beginning before October 19, 1983, the applicable limit shall be the applicable limit in effect in the State under this paragraph (as in effect on the day before the date of the enactment of the Federal Supplemental Compensation Amendments of 1983) for the last week beginning before October 19, 1983, or

"(II) in the case of an account from which Federal supplemental compensation is first payable for a week beginning after October 18, 1983, the applicable limit shall be the applicable limit determined under the following table with respect to the first week for which Federal supplemental compensation is payable from such account:

"In the case of weeks during a:	*The applicable limit is:*
6-percent period	*14*
5-percent period	*12*
4-percent period	*10*
Low-unemployment period	*8.*

"(B) In the case of any account from which Federal supplemental compensation was first payable for a week which begins after March 31, 1983, and before October 19, 1983, the amount established in such account under subparagraph (A) shall be increased by the individual's additional entitlement. In no event shall such increase result in the individual's receiving more Federal supplemental compensation for weeks beginning after October 18, 1983, than the subparagraph (A) entitlement.

"(C) For purposes of subparagraph (B) and this subparagraph—

"(i) The term 'additional entitlement' means the lesser of—

"(I) ¼ of the subparagraph (A) entitlement, or

"(II) the individual's average weekly benefit amount for the benefit year multiplied by the applicable limit determined under clause (ii).

"(ii) The applicable limit determined under this clause is—

"(I) 5 if all of the amount in the individual's Federal supplemental compensation account (determined without

regard to subparagraph (B)) is payable to the individual for weeks beginning before October 18, 1983, and

"(II) in the case of an individual not described in subclause (I), 4 (2 if the State is in a 4-percent period or a low-unemployment period for the first week beginning after October 18, 1983).

"(iii) The term 'subparagraph (A) entitlement' means the amount which would have been established in the account if Federal supplemental compensation were first payable from such account for the first week beginning after October 18, 1983.

"(3)(A) For purposes of this subsection, the terms '6-percent period', '5-percent period', '4-percent period', and 'low-unemployment period', mean, with respect to any State, the period which—

"(i) begins with the third week after the first week for which the applicable trigger is on, and

"(ii) ends with the second week after the first week for which the applicable trigger is off.

"(B)(i) In the case of a 6-percent period, 5-percent period, 4-percent period, or low-unemployment period, as the case may be, the applicable trigger is on for any week if—

"(I) the rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range, or

"(II) the rate of insured unemployment in the State for the period consisting of the last week beginning in the second calendar quarter ending before the week for which the trigger determination is being made and all weeks preceding such last week which began on or after January 1, 1982, equals or exceeds 5.5 percent in the case of a 6-percent period (or, in the case of a 5-percent period, equals or exceeds 4.5 percent but is less than 5.5 percent).

Subclause (II) shall not apply in the case of a 4-percent period or low-unemployment period.

"(ii) In the case of a 6-percent period, 5-percent period, 4-percent period, or low-unemployment period, as the case may be, the applicable trigger is off for any week if subclause (I) of clause (i) is not satisfied (or in the case of a 6-percent period or a 5-percent period, both subclauses (I) and (II) of clause (i) are not satisfied).

"(iii) In the case of any 5-percent period, 4-percent period, or low-unemployment period, as the case may be, notwithstanding clauses (i) and (ii), the applicable trigger shall be off for any week if the applicable trigger for a period with a higher applicable limit is on for such week.

"(C) For purposes of this paragraph, the applicable range is as follows:

"In the case of a:	*The applicable range is:*
6-percent period	*A rate equal to or exceeding 6 percent.*
5-percent period	*A rate equal to or exceeding 5 percent but less than 6 percent.*
4-percent period	*A rate equal to or exceeding 4 percent but less than 5 percent.*
Low-unemployment period	*A rate less than 4 percent.*

"(D)(i) No 6-percent period, 5-percent period, 4-percent period, or low-unemployment period, as the case may be, which is in effect for the first week beginning after October 18, 1983, or any week thereaf-

ter, shall last for a period of less than 13 weeks beginning after October 18, 1983.

"(ii) The applicable limit in any State shall not be reduced or increased by more than 2 during any 13-week period beginning with the week for which such a reduction (or increase) would otherwise take effect. The preceding sentence shall not apply to any increase (or decrease) which takes effect for the first week beginning after October 18, 1983.

"(E) For purposes of this subsection—

"(i) The rate of insured unemployment for any period shall be determined in the same manner as determined for purposes of section 203 of the Federal-State Extended Unemployment Compensation Act of 1970; except that, for purposes of determining the rate of insured unemployment for the period described in subparagraph (B)(i)(II), the rate of insured unemployment shall be determined by reference to the average monthly covered employment under the State law for so much of such period as does not fall in the last 6 months thereof.

(ii) The amount of an individual's average weekly benefit amount shall be determined in the same manner as determined for purposes of section 202(b)(1)(C) of such Act."

(b) TECHNICAL AMENDMENT.—Paragraph (3) of section 602(d) of such Act is amended by striking out "or (D)(ii)".

SEC. 103. EFFECTIVE DATES.

(a) GENERAL RULE.—The amendments made by this title shall apply to weeks beginning after October 18, 1983.

(b) TRANSITIONAL RULE.—In the case of any eligible individual who exhausted his rights to Federal supplemental compensation (by reason of the payment of all of the amount in his Federal supplemental compensation account) before the first week beginning after October 18, 1983, such individual's eligibility for additional weeks of compensation by reason of the amendments made by this title shall not be limited or terminated by reason of any event, or failure to meet any requirement of law relating to eligibility for unemployument compensation, occurring after the date of such exhaustion of rights and before the beginning of the first week beginnning after October 18, 1983 (and the period after such exhaustion and before the beginning of such first week shall not be counted for purposes of determining the expiration of the two years following the end of his benefit year for purposes of section 602(b) of the Federal Supplemental Compensation Act of 1982).

(c) MODIFICATION OF AGREEMENTS.—The Secretary of Labor shall, at the earliest practicable date, after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 602 of the Federal Supplemental Compensation Act of 1982 a modification of such agreement designed to provide for the payment of Federal supplemental compensation under such Act in accordance with the amendments made by this title. Notwithstanding any other provision of law, if any State fails or refuses within the three-week period beginning on the date the Secretary of Labor proposes such modification to such State, to enter into such modification of such agreement, the Secretary of Labor shall terminate such agreement effective with the end of the last week which ends on or before the close of such three-week period.

(d) NEW PERIODS BEGIN WITH FIRST WEEK AFTER OCTOBER 18, 1983.—For purposes of determining whether any 6-percent period, 5-percent period, 4-percent period, or low-unemployment period is in effect during weeks beginning after October 18, 1983, the amendments made by this title shall be treated as in effect during all periods before the first week beginning after October 18, 1983.

TITLE II—OTHER PROVISIONS

PAYMENT TO SURVIVORS OF DECEASED EMPLOYEES

SEC. 201. (a) Subsection (b) of section 3306 of the Internal Revenue Code of 1954 (defining wages) is amended by striking out "or" at the end of paragraph (13), by striking out the period at the end of paragraph (14) and inserting in lieu thereof "; or", and by inserting after paragraph (14) the following new paragraph:

"(15) any payment made by an employer to a survivor or the estate of a former employee after the calendar year in which such employee died.".

(b) The amendments made by subsection (a) shall apply to remuneration paid after the date of the enactment of this Act.

TREATMENT OF CERTAIN AGRICULTURAL LABOR

SEC. 202. Subparagraph (B) of section 3306(c)(1) of the Internal Revenue Code of 1954 (relating to agricultural labor) is amended by striking out "January 1, 1984" and inserting in lieu thereof "January 1, 1986".

REPORT BY SECRETARY OF LABOR

SEC. 203. Not later than April 1, 1984, the Secretary of Labor shall submit a report to the Congress on—

(1) the feasibility of using area triggers in unemployment compensation programs, and

(2) the feasibility of determining whether individuals filing claims for unemployment compensation are structurally unemployed.

INCREASE IN TITLE XX FUNDING

SEC. 204. Section 2003(c) of the Social Security Act is amended—

(1) by adding "and" at the end of paragraph (2); and

(2) by striking out paragraphs (3), (4), and (5), and inserting in lieu thereof the following:

"(3) $2,700,000,000 for the fiscal year 1984 and each succeeding fiscal year.".

DIRECT REPAYMENT OF GENERAL REVENUE ADVANCES

SEC. 205. (a) Section 1203 of the Social Security Act is amended by inserting after the first sentence the following: "Amounts appropriated as repayable advances shall be repaid, without interest, by transfers from the Federal unemployment account to the general fund of the Treasury, at such times as the amount in the Federal unemployment account is determined by the Secretary of the Treasury, in consultation with the Secretary of Labor, to be adequate for

such purpose. Any amount transferred as a repayment under this section shall be credited against, and shall operate to reduce, any balance of advances repayable under this section.".

(b) Any amounts transferred from the Federal unemployment account to the employment security administration account as of September 30, 1983, shall be transferred back to the Federal unemployment account.

ARRANGEMENTS TO PREVENT PAYMENTS OF UNEMPLOYMENT COMPENSATION TO RETIREES AND PRISONERS

SEC. 206. (a) The Secretary of Labor, the Director of the Office of Personnel Management, and the Attorney General are directed to enter into arrangements to make available to the States, computer or other data regarding current and retired Federal employees and Federal prisoners so that States may review the eligibility of these individuals for unemployment compensation, and take action where appropriate.

(b) The Secretary of Labor shall report to the Congress, prior to January 31, 1984, on arrangements which have been entered into under subsection (a), and any arrangements which could be entered into with other appropriate State agencies, for the purpose of ensuring that unemployment compensation is not paid to retired individuals or prisoners in violation of law. The report shall include any recommendations for further legislation which might be necessary to aid in preventing such payments.

MAUREEN AND MIKE MANSFIELD FOUNDATION

SEC. 207. (a) The Secretary of Education is authorized to provide financial assistance in accordance with the provisions of this section to the Maureen and Mike Mansfield Foundation to assist in the development of the Mansfield Center for Pacific Affairs and the Maureen and Mike Mansfield Center at the University of Montana.

(b) No financial assistance provided under this section may be made except upon an application at such time, in such manner, and containing such information as the Secretary of Education may require.

(c) There are authorized to be appropriated such sums, not to exceed $5,000,000, as may be necessary to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

And the Senate agree to the same.

DAN ROSTENKOWSKI,
PETE STARK,
DONALD J. PEASE,
ROBERT T. MATSUI,
BARBARA B. KENNELLY,
CARROLL CAMPBELL,
W. HENSON MOORE,
BILL FRENZEL,
Managers on the Part of the House.

BOB DOLE,
BILL ARMSTRONG,
BILL ROTH,
JOHN H. CHAFEE,
RUSSELL LONG,
DANIEL P. MOYNIHAN,
DAVID L. BOREN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3929) to extend the Federal Supplemental Compensation Act of 1982, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

1. Extension of Federal Supplemental Compensation (FSC) Program

PRESENT LAW

Under the current FSC program, which first became effective on September 12, 1982 and, under provisions of Public Law 98–118, expires October 18, 1983, additional weeks of Federally financed unemployment compensation benefits are provided to jobless workers who have exhausted all other State and Federal unemployment benefits. The number of weeks of FSC benefits that jobless workers may receive depends on (a) the number of weeks of State unemployment benefits received by each claimant, and (b) the State in which the claimant qualifies for or receives the benefits.

As originally enacted, the FSC program provided, depending upon State insured unemployment rates (IUR), a maximum of 10, 8, or 6 additional weeks of benefits.

As amended by provisions contained in the Surface Transportation Assistance Act of 1982 (Public Law 97–424), beginning with the week of January 9, 1983, the FSC program provided the following maximum weeks of benefits through March 31, 1983:

(1) 16 weeks in States with an average insured unemployment rate (IUR) of at least 6.0 percent;

(2) 14 weeks in States that were triggered on the extended benefits program between June 1, 1982 and January 6, 1983;

(3) 12 weeks in the remaining States that have an average IUR of at least 4.5 percent;

(4) 10 weeks in the remaining States that have an average IUR between 3.5 percent and 4.5 percent; and

(5) 8 weeks for all other States.

As amended by provisions contained in the Social Security Amendments of 1983, (Public Law 98–21), as of April 1, 1983, the FSC program provides the following maximum weeks of benefits through September 30, 1983:

(a) *Basic FSC Benefits.*—For individuals who began receiving FSC on or after April 1, 1983:

(1) 14 weeks in States with average IUR 6.0 percent and above;

(2) 12 weeks in States with average IUR 5.0 to 5.9 percent;

(3) 10 weeks in States with average IUR 4.0 to 4.9 percent;

(4) 8 weeks in all other States.

(b) *Reach-back Benefits.*—Individuals who had exhausted or were receiving FSC as of April 1, 1983 could receive additional weeks equal to three-fourths of the basic FSC entitlement payable in the State, up to a maximum of:

(1) 10 weeks in the 14 basic week States (average IUR 6.0 percent or above);

(2) 8 weeks in the 12 and 10 basic week States (average IUR 4.0 to 5.9 percent);

(3) 6 weeks in the 8 basic week States (average IUR below 4.0 percent).

However, for individuals who began receiving FSC before April 1, 1983, and had some FSC entitlement remaining after that date, the combination of their remaining basic FSC entitlement received after April 1, 1983 and the reach-back weeks could not exceed the maximum number of weeks of basic FSC benefits payable in the State.

Under Public Law 98–21, the FSC program would have ended on September 30, 1983. Public Law 98–118 extended the program to weeks beginning prior to October 18, 1983.

(c) *Phaseout of FSC Benefits.*—Individuals who had not exhausted their FSC entitlement on October 18, 1983, when the program expired, may receive up to 50 percent of their remaining FSC entitlement. No new claimants can be added to the FSC program after October 18, 1983.

HOUSE BILL

The FSC program is extended for 7 weeks, from September 30, 1983 through November 16, 1983.

Effective October 1, 1983, FSC benefits would be payable as follows:

(a) *Basic FSC Benefits.*—The maximum number of basic weeks of FSC payable in the States will range from 8 to 16 weeks. The maximum in each State will be determined by the State's average insured unemployment rate (IUR), as determined in the current Extended Benefit and FSC program, *or* the State's non-seasonally adjusted total unemployment rate (TUR) averaged over the most recent three months. A maximum of:

(1) 16 weeks will be payable in States with IUR 8 percent or above *or* TUR 12 percent or above;

(2) 14 weeks in States with IUR 6 to 7.9 percent *or* TUR 10 to 11.9 percent;

(3) 12 weeks in States with IUR 5 to 5.9 percent *or* TUR 9 to 9.9 percent;

(4) 10 weeks in States with IUR 4 to 4.9 percent *or* TUR 8 to 8.9 percent;

(5) 8 weeks in States with IUR below 4 percent *and* TUR below 8 percent.

Unemployed workers who first apply for FSC benefits after October 1, 1983 will receive weeks of FSC benefits equal to 65 percent of the number of weeks of regular State unemployment benefits they received, up to the maximum number of basic FSC benefits payable in the State. The basic FSC entitlement of individuals who, as of October 1, 1983, have exhausted or are receiving FSC benefits will be adjusted according to the number of basic FSC weeks payable in the State and the number of weeks of FSC they have received as of that date.

(b) *Reach-back and Transitional Benefits.*—Individuals who have exhausted or are receiving FSC benefits as of October 1, 1983 could receive additional weeks equal to three-fourths of their new basic FSC entitlement, up to a maximum of 8 weeks. However, individuals who qualify for additional weeks cannot receive more weeks of FSC benefits after October 1, 1983 than the maximum number of basic weeks of FSC payable in the State.

(c) *Limitation on Reduction of Basic FSC Weeks Payable in a State.*—The maximum number of basic FSC weeks payable in a State will be *increased* whenever it meets higher IUR or TUR rates, and will remain at least as high as the new higher level for at least three months. The maximum number of basic FSC weeks payable in a State will not be *reduced* more freqently than every three months, and will not be reduced by more than two weeks in any three month period.

(d) *Limitation on Reduction of FSC Weeks Payable to Individuals.*—Individuals who first qualify for FSC on or after October 1, 1983 will continue to be eligible for at least the number of FSC weeks to which they were entitled at the time they first qualified for FSC, even though the maximum number of basic FSC weeks payable in the State decreases because of a reduction in the State IUR or TUR. An individual's basic FSC entitlement will be increased if the basic FSC maximum payable in the State increases; and the person's entitlement will remain at the higher level even if there are subsequent reductions in the basic FSC entitlement payable in the State.

(e) *Phase-out of FSC Benefits.*—No provision.

SENATE AMENDMENT

The Senate amendment would extend the Federal Supplemental Compensation program for 18 months, from October 1, 1983 to March 31, 1985. The current program would be modified as follows:

(1) *Basic FSC benefits.*—Individuals who receive benefits on or after October 1, 1983, could receive up to a maximum of:

a. 12 weeks of benefits in States with an IUR greater than or equal to 5 percent;

b. 10 weeks of benefits in States with an IUR greater than or equal to 4 percent, but less than 5 percent;

c. 8 weeks of benefits in States with an IUR greater than or equal to 3 percent but less than 4 percent;

d. 6 weeks in all other States.

(2) *Additional FSC benefits.*—Individuals who exhaust FSC benefits on or before October 1, 1983, would not be eligible for additional weeks of benefits.

(3) *Transitional FSC benefits.*—Individuals who began receiving FSC before October 1, 1983, and have some FSC entitlement remaining as of the effective date of the Senate amendments would generally receive whatever additional weeks, if any, they would qualify for under the new basic benefit structure. However, no one who actually receives a benefit for the week of October 16, 1983 would have his entitlement reduced below the number of weeks he could have qualified for under the phaseout provisions if the program had not been extended. For example, several States change from 8-week to 6-week States. An individual in such a State who draws his sixth week of FSC for the week of October 16 would have been entitled to one phaseout week if the program were not extended (50 percent of his remaining entitlement). Under this transitional provision, such an individual would retain his eligibilty for that seventh week of FSC.

(4) *Phaseout of FSC benefits.*—Individuals who have not exhausted their FSC entitlement on March 31, 1985, when the program expires, would not be eligible to receive their remaining FSC entitlement. All FSC benefits would end on March 31, 1985.

(5) *Continuation of 14-week period for high unemployment States.*—The Senate bill eliminates the prior 14-week duration which applies to States with insured unemployment rates of 6 percent or more. However, a State which qualifies for this 14-week duration as of the week beginning September 25, 1983 will continue to qualify for 14 weeks so long as its IUR remains continuously at or above 6 percent.

(6) *Special provision for States with prolonged high unemployment.*—The Senate amendment includes an alternative insured unemployment measure based on the average IUR over a longer period than is currently used for the IUR. Under this provision, a State will qualify for the maximum basic duration (12 weeks) so long as its average insured unemployment rate equals or exceed 6 percent over the period since January 1982. The determination as to whether a State qualifies under this provision would be made quarterly. In other words, for any given calendar quarter, a State will qualify for 12 weeks of benefits if the average IUR from January 1982 through the end of the second preceding calendar quarter is 6 percent or higher.

The Senate amendment places no restrictions on the extent to which benefit durations could be reduced or increased in a State as a result of changes in the insured unemployment rate. However, a State's benefit duration could not change more often than once in any 13-week period.

Effective date.—The new Federal Supplemental Compensation program would be effective on October 1, 1983.

CONFERENCE AGREEMENT

1. The FSC program, with modifications, would be extended effective from the week of October 23, 1983 through the week of March 31, 1985. (Public Law 98-118, H.R. 4101, extended the current FSC program for three weeks, from September 30, 1983 through the week of October 16, 1983.)

2. *Basic FSC Benefits.*—The maximum number of basic weeks of FSC payable in the States will range from 8 to 14 weeks. The maximum in each State will be determined by the State's moving 13 week average insured unemployment rate (IUR), as determined in the current Extended Benefit and FSC programs, *or* the State's cumulative average IUR since January 1, 1982 and through the second preceding calendar quarter. (To determine basic FSC weeks payable the week of October 23, 1983, the first week of this extension, the cumulative average IUR will include the weeks of January 1, 1982 through June 1983.)

A maximum of:

(a) 14 weeks will be payable in States with a moving 13 week average insured unemployment rate (IUR) of at least 6.0 percent *or* a cumulative average IUR since January 1. 1982 of at least 5.5 percent.

(b) 12 weeks will be payable in States with a moving 13 week average IUR 5.0 to 5.9 percent *or* a cumulative average IUR since January 1, 1982 of 4.5 to 5.4 percent.

(c) 10 weeks will be payable in States with a moving 13 week average IUR 4.0 to 4.9 percent.

(d) 8 weeks will be payable in all other States.

Unemployed workers who first apply for FSC benefits for or after the week of October 23, 1983 will receive weeks of FSC benefits equal to 55 percent of the number of weeks of regular State unemployment benefits they received, up to the maximum number of basic FSC benefits payable in the State in the week in which they first file their claims.

There will be no adjustment, or tiering up or down, in the basic FSC entitlement of individuals who are receiving or who exhaust benefits before the week of October 23, 1983. The basic FSC entitlement of these individuals will remain at the level established under the law in effect the week of October 16, 1983.

3. *Reach-back and Transitional Benefits.*—Individuals who first became eligible for FSC between April 1, 1983 and the week of October 23, 1983 could receive the following amounts of reach-back or transitional benefits:

(a) a maximum of 5 weeks of reach-back benefits would be paid to individuals who exhaust FSC benefits before week of October 23, 1983;

(b) a maximum of 4 weeks of transitional benefits in 12 and 14 basic week states, and 2 weeks of transitional benefits in 8 and 10 basic week states, would be paid to individuals who, under current law, are eligible for FSC benefits the week of October 16 and subsequent weeks.

However, individuals who qualify for reach-back or transitional weeks cannot receive more weeks of FSC benefits after October 23,

1983 than the maximum number of basic weeks of FSC payable in the State as of that date.

4. *Limitation on Reduction of Basic Weeks Payable in a State.*—Beginning with the week of October 23, 1983, (a) the maximum number of basic weeks payable in a State will be adjusted (up or down) no more frequently than every thirteen weeks; and, (b) a single adjustment shall not exceed two weeks.

5. *Limitation on Reduction of FSC Weeks Payable to Individuals.*—Beginning with the week of October 23, 1983, individuals will continue to be eligible for the number of FSC weeks to which they were entitled at the time they first qualified for FSC, regardless of changes (up or down) in the number of basic weeks payable in the State. As under current law, an individual who makes an interstate claim for FSC benefits will receive the lesser of (a) the number of weeks of FSC payable in the State in which he receives the benefits or (b) the maximum number of weeks payable in his or her former State.

6. *Phase-out of FSC Benefits.*—No provision.

2. Treatment of Payments to Estates of Deceased Individuals

PRESENT LAW

Under the current law, Federal social security taxes (FICA) are not imposed on payments by employers to survivors or the estates of deceased individuals. However, such payments are subject to Federal Unemployment Taxes (FUTA).

HOUSE BILL

Under the House bill, with regard to payments made by employers to the estates or survivors of deceased individuals, the Federal unemployment tax (FUTA) definition of taxable wages is conformed with the current Social Security tax (FICA) definition. As with social security taxes, Federal unemployment taxes will no longer be imposed on such payments after the calendar year in which the individual died.

SENATE AMENDMENT

No provision.

CONFERENCE AGREEMENT

The conference agreement follows the House bill.

3. Treatment of Certain Alien Farmworkers

PRESENT LAW

Under the Immigration and Nationality Act, residents of foreign countries who do not intend to abandon such residency may be admitted to the United States to work for a temporary period of time during peak agricultural crop seasons. Until January 1, 1984, wages paid to such alien farmworkers are excluded from Federal unemployment taxes (FUTA).

HOUSE BILL

The House bill extends for two years—from January 1, 1984 to January 1, 1986—the provision of current law that excludes wages paid to certain alien farmworkers from FUTA taxes.

SENATE AMENDMENT

Same as House bill.

CONFERENCE AGREEMENT

The conference agreement follows the House bill and Senate amendment.

4. Reports From Department of Labor

PRESENT LAW

Not applicable.

HOUSE BILL

The House bill requires the Department of Labor to submit reports to Congress no later than April 1, 1984 on (a) the feasibility of targeting FSC benefits to substate areas on the basis of unemployment levels in such substate areas; and, (b) the feasibility of indentifying "structurally" unemployed workers at the time they claim unemployment compensation benefits.

SENATE AMENDMENT

No provision.

CONFERENCE AGREEMENT

The conference agreement follows the House bill.

5. Increase in Title XX Social Service Funds

PRESENT LAW

Under current law, the Title XX funding levels are:

Fiscal year 1983—$2.675 billion (including $225 million appropriated on a temporary basis in the Emergency Jobs Bill);
Fiscal year 1984—$2.5 billion;
Fiscal year 1985—$2.6 billion;
Fiscal year 1986 and subsequent years—$2.7 billion.

HOUSE BILL

The House bill would increase the permanent Federal Title XX spending level to $2.8 billion, effective for fiscal year 1984 and years thereafter. In fiscal year 1984 and 1985, at least $100 million of the additional funds must be used for unemployment related programs and must be allocated among areas within States according to the levels of unemployment in those areas.

SENATE AMENDMENT

The Senate amendment would increase the statutory funding level for the Title XX social services block grant by $200 million for fiscal year 1984. The statutory funding level for Title XX, for fiscal year 1984, would thus be increased from $2.5 billion to $2.7 billion.

CONFERENCE AGREEMENT

The conference agreement provides that the Title XX ceiling will be increased to $2.7 billion for fiscal year 1984 and subsequent fiscal years. The conference agreement strikes the provision in the House bill that targets a portion of the additional funds to unemployment related programs and high unemployment areas within States. The conferees do intend, however, that States use a portion of the additional Title XX funds for services that address problems related to unemployment and, to the extent feasible, direct these funds to areas within the State with the highest levels of unemployment.

6. Direct Repayment of General Revenue Advances

PRESENT LAW

Title XII of the Social Security Act authorizes advances from general revenues to the Federal unemployment account (FUA) of the unemployment trust fund. This is the account from which loans are made to the States and to which repayments of those loans are credited. Such advances may be repaid only if: (1) the FUA exceeds its statutory limit at the end of a fiscal year and (2) the employment security account (ESA) exceeds its statutory end-of-year limit. The law requires any excess from FUA to be transferred directly to the extended unemployment compensation account (EUCA) from which general revenue advances may be repaid.

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment would allow for direct repayment of general revenue advances from the State loan account in the unemployment trust fund, if the Secretary of Labor and the Secretary of the Treasury determine that adequate funds are available in the account for such purpose. This amendment would ultimately allow for the full repayment of all outstanding general revenue advances to the FUA account. The Senate amendment also requires that any amounts which may have already been transferred under the prior law provisions are to be transferred back to the Federal Unemployment Account as soon as this legislation is enacted.

CONFERENCE AGREEMENT

The conference agreement follows the Senate amendment.

7. Report on Efforts To Prevent Incorrect Unemployment Compensation Payments to Retirees and Prisoners

PRESENT LAW

Not applicable.

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment would require the Secretary of Labor, the Attorney General, and the Director of the Office of Personnel Management to make available to the States such information about Federal employees, retirees, and prisoners as may be useful in determining unemployment eligibility. The Secretary of Labor is also directed to issue a report to Congress which will detail the actions taken and other steps which could be taken to ensure that unemployment benefits are not paid to certain retired individuals or prisoners. The report should include recommendations for further legislation which might be necessary to aid in preventing such incorrect payments. The report must be submitted to Congress by January 31, 1984.

CONFERENCE AGREEMENT

The conference agreement follows the Senate amendment.

8. Mansfield Foundation Authorization

PRESENT LAW

Not applicable.

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment authorizes an appropriation of not more than $5,000,000 to the Department of Education for assistance to the Maureen and Mike Mansfield Foundation in developing the Mansfield Center for Public Affairs and the Maureen and Mike Mansfield Center at the University of Montana.

CONFERENCE AGREEMENT

The conference agreement follows the Senate amendment.

9. Unemployment Benefits for Certain Railroad Workers

PRESENT LAW

Railroad workers with less than 10 years of rail employment do not generally qualify for extended unemployment benefits payable under the railroad unemployment program. A special supplemental

benefits program for these workers was enacted as part of Public Law 98–8. This program provided benefits only through June 30, 1983.

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment would extend this provision through the benefit year beginning July 1, 1983.

CONFERENCE AGREEMENT

The conference agreement follows the House bill.

10. Extension of Provisions Relating to Dependent Children Voluntarily Placed in Foster Care

PRESENT LAW

The Adoption Assistance and Child Welfare Act of 1983 (Public Law 96–272) included a provision authorizing Federal matching on a temporary basis for payments made on behalf of children voluntarily placed in foster care. The statute provides that, in those States that have implemented specified foster care protections and procedures, Federal foster care matching funds are available until September 30, 1983 for children who have been voluntarily removed from their home (without a judicial determination), if such removal is pursuant to a voluntary placement agreement. The voluntary placement agreement must be revocable on the part of the parent unless the child welfare agency objects and obtains a judicial determination that the return of the child to the home would not be in the best interests of the child. There must be a judicial determination of a voluntary placement within 6 months to the effect that such placement is in the best interests of the child. The Secretary of Health and Human Services must report annually to the Congress on the number of children placed under this provision.

HOUSE BILL

No provision.

SENATE AMENDMENT

Effective October 1, 1983, the Senate amendment would extend the voluntary placement provision for 1 year, to September 30, 1984.

CONFERENCE AGREEMENT

The conference agreement omits this provision which was enacted in Public Law 98–118 (H.R. 4101).

11. Cash-Flow Unemployment Loans

PRESENT LAW

Although interest is now generally charged on advances made by the Federal Unemployment Trust funds to enable States to meet shortfalls in their State unemployment accounts, an exception is made when the advances are solely for cash flow purposes and are entirely repaid by September 30 of the year in which they are taken out. To qualify for an interest-free cash flow advance, the State must repay the advance entirely by September and must not take out a new advance after the earlier advance is repaid. This has been interpreted to mean that a State which takes out and repays an advance early in the year cannot take out another advance without losing the interest-free status of both loans even though the full amount is repaid by September 30. (However, a State could avoid this situation by simply not repaying the entire series of advances until September 30.)

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment would clarify the statute so that advances received by States in the first 9 months of the year would be considered in the aggregate. Thus an advance or series of advances made during that part of the year would be interest free if all such advances are fully repaid by September 30 and no further advance is taken out during the remainder of that year.

CONFERENCE AGREEMENT

The conference agreement omits this provision because it has been enacted under Public Law 98–118 (H.R. 4101).

12. Extension of Period of Continuing Payment of Social Security Disability Benefits During Appeal

PRESENT LAW

Public Law 97–455, passed by Congress in December 1982, included a provision to allow beneficiaries whose benefits had been ceased because of a medical review of their eligibility to elect to continue receiving benefits until an Administrative Law Judge has rendered a decision on the case. If the case is denied, then the benefits, except for medicare, are subject to recoupment (subject to the waiver standards already in law). This provision expires October 1, 1983.

HOUSE BILL

The House bill extends the current law provision through November 15, 1983.

SENATE AMENDMENT

The Senate amendment extends the current law provision through January 1, 1984.

CONFERENCE AGREEMENT

The conference agreement omits this provision because the agreement of the Managers to extend the current law provision through December 7, 1983, has been enacted under Public Law 98–118 (H.R. 4101).

13. TWO-YEAR DELAY IN SOCIAL SECURITY TREATMENT OF SALARIES OF SENIOR STATUS JUDGES

PRESENT LAW

Under a provision enacted in the Social Security Amendments of 1983 (Section 101(c)), the compensation of Federal judges in senior status will be considered for any period in which they perform judicial duties as earnings for purposes of the social security tax and retirement-earnings test, effective January 1, 1984.

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment would delay by two years the effective date of Section 101(c) of the Social Security Amendments of 1983.

CONFERENCE AGREEMENT

The conference agreement omits this provision which was enacted in Public Law 98–118 (H.R. 4101).

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